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Government of Saskatchewan

Annual Report 1980-81

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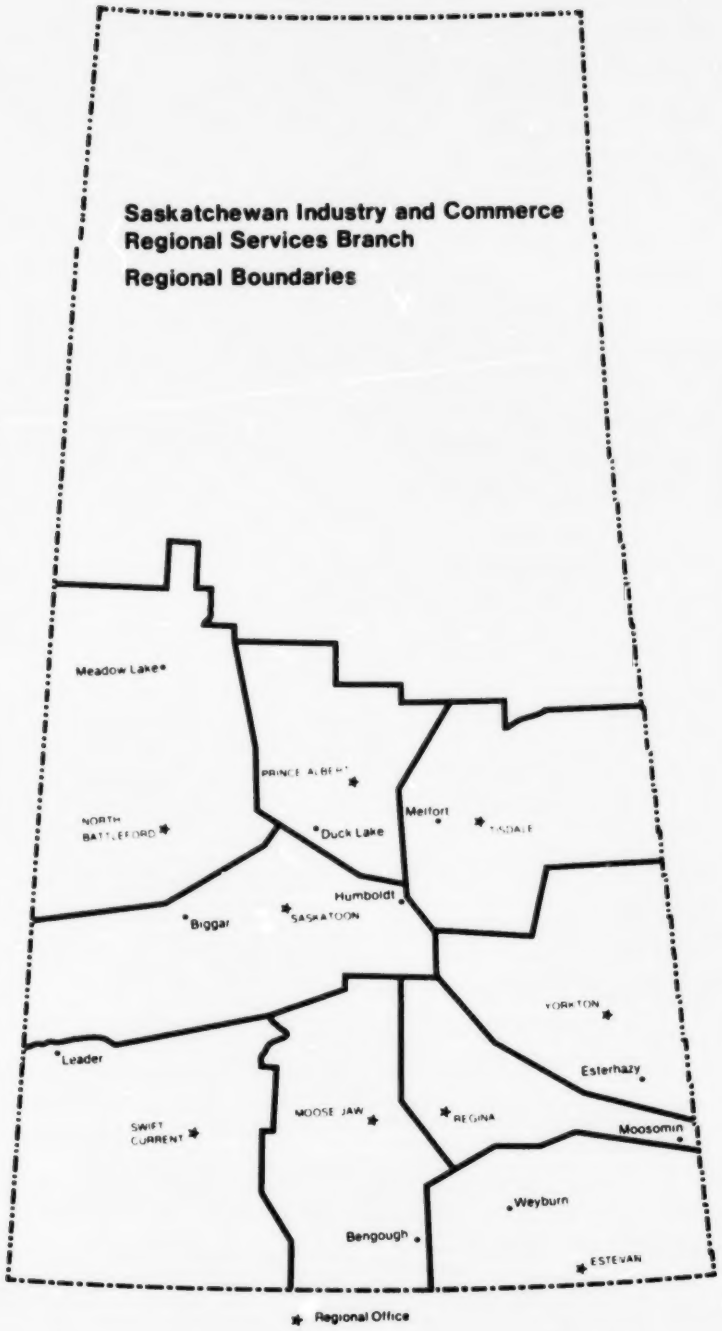
Saskatchewan Industry and Commerce



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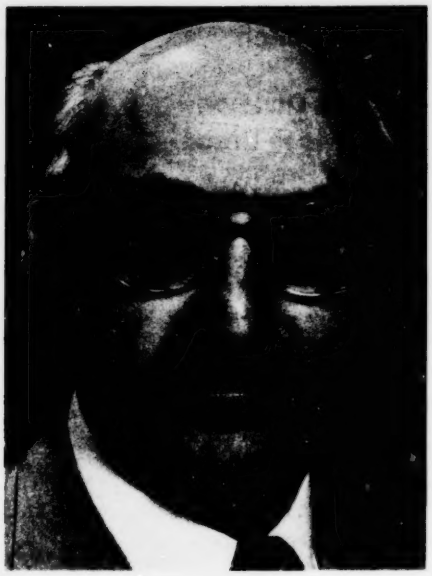
From the Minister



The Honourable C. Irwin McIntosh
Lieutenant-Governor of the
Province of Saskatchewan

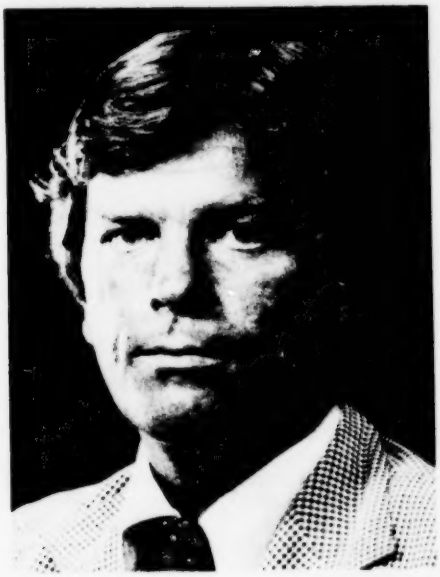
Sir:

I have the honour to present herewith the Annual Report of Saskatchewan Industry and Commerce for the fiscal year ending March 31, 1981.

Respectfully submitted,

Honourable Norman Vickar
Minister
Saskatchewan Industry and Commerce

From the Deputy Minister



Honourable Norman Vickar
Minister
Saskatchewan Industry and Commerce

Sir:

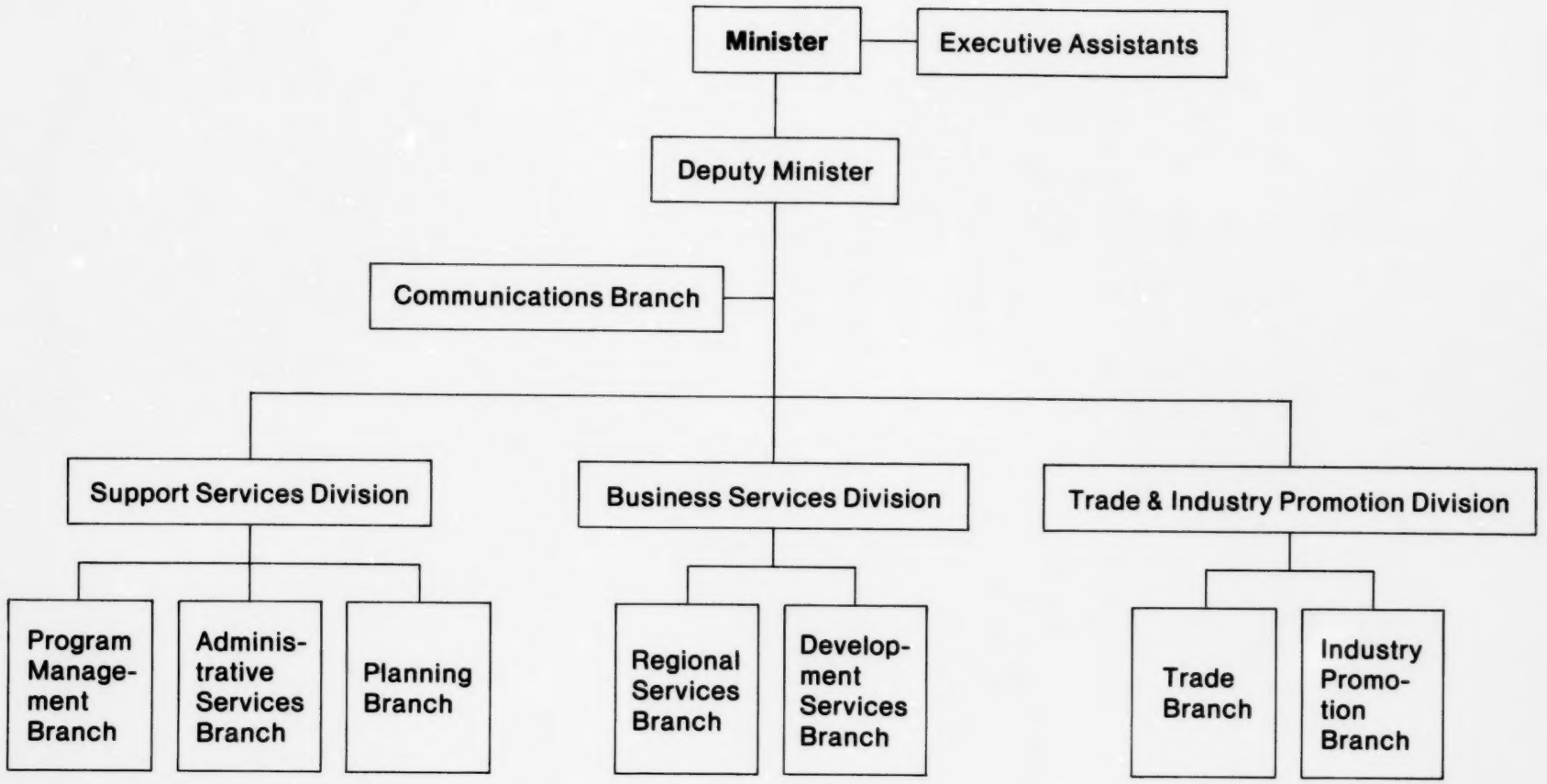
I have the honour to submit for your consideration the Annual Report of Saskatchewan Industry and Commerce for the period April 1, 1980 to March 31, 1981.

Respectfully submitted,

Jeff Bugera
Deputy Minister
Saskatchewan Industry and Commerce

Organization Chart 1980-81

Saskatchewan Industry and Commerce



Communications Branch

During the year the Communications Branch, which had been part of the Administration Division, became a separate unit, reporting to the deputy minister.

Communications staff worked with all branches of the department to promote department objectives, programs and services through a variety of information methods.

The branch planned and supervised placement of general and specific department print advertising.

Throughout the year the department placed industrial promotion advertisements in national newspapers and magazines, inviting inquiries.

During "Business Week", organized by the Saskatchewan Chamber of Commerce, the department placed supportive advertising outlining various services available from Industry and Commerce.

Following publication of the Prairie Implement Buyer's Guide, the department advertised in provincial publications urging Saskatchewan farmers to purchase short line farm equipment made in Saskatchewan.

The branch assisted in the preparation and placement of advertisements urging people to attend department-sponsored displays at farm equipment shows in Toronto, Spokane, Washington and Edmonton.

The branch also provided advertising services for a variety of trade shows, seminars and workshops which the department organized or attended. Print advertising was placed in the province encouraging business people to participate in special meetings.

Staff supervised production and distribution of the department's 1979-80 annual report, promotional matchbooks, the 1981 Daily Journal, and the fourth issue of the IBRD (Industrial Benefits from Resource Development) Bulletin. The branch also assisted the Trade and Industry Promotion Division with the preparation of the Prairie Implement Buyer's Guide.

Twenty news releases about the department's activities and business news items were written and distributed during the year. Several articles highlighting Saskatchewan manufacturing and processing industries were researched, written and disseminated for use in business publications.

The branch was responsible for preparation of a modular, portable display with interchangeable photographs and explanatory copy on six themes, and arranged for the display to be set up at a number of locations in Regina, Saskatoon, Swift Current, Moose Jaw, North Battleford, Yorkton and Moosomin.

The theme of the display during 1980 was pioneer entrepreneurs and formed part of the department's contribution to Celebrate Saskatchewan.

The other five display themes highlighted the importance of small business and small industry to Saskatchewan, and explained the assistance offered by the department to such enterprises.

A second display, promoting the Main Street Program was built for use at the 1980 Regina Exhibition. The cost of this display was shared with Saskatchewan Urban Affairs.

Business Services Division

During the year, the Operations Division was reorganized to become the Business Services Division which consists of the Development Services Branch and the Regional Services Branch.

Development Services Branch

Midway through the 1980-81 fiscal year the former Industrial Development Branch and the Development Analysis Branch were amalgamated to form the Development Services Branch. This branch has three primary functions:

1. to facilitate the development of secondary industry in Saskatchewan;
2. to carry out research with respect to industrial opportunities in the province. This is done both independently and in co-operation with industrial clientele;
3. to maintain an up-to-date resource centre containing business and industry-oriented data and publications and to provide such information to the business public.

Industry development involves activity with a wide variety of clients both within the province and beyond. Branch personnel maintain regular contact with private sector firms thoughout Canada and other countries. The work with clients requires frequent contacts with financial institutions, government agencies, trade associations and other private sector groups. Branch staff respond to a wide range of requests from the private sector and also actively seek out new clients in areas where there is believed to be industrial opportunities in Saskatchewan. Industry development activities include such factors as potential site locations, sources of finance, feasibility analysis, markets, transportation, provincial and federal government programs and provision of industrial data related to all aspects of industrial activity within the province.

During the year branch staff provided services to 194 clients from within the province and 289 from outside Saskatchewan.

The branch staff communicate frequently with federal and provincial agencies whose activities and programs may affect existing and potential industries, which include the Department of Industry, Trade and Commerce, the Department of Regional Economic Expansion and the Saskatchewan Departments of Agriculture and Environment.

Research work carried out or managed by the department covers a very broad range of investigation into industrial and commercial activities which may contribute to economic activity in the province. The work of the branch in this area is a combination of independent in-house research in response to requests from the business community and contracted studies cost-shared with business clients. Generally, larger research projects such as market or feasibility studies are contracted out to consultants who have the appropriate expertise in the area to be studied. Where cost-shared studies are contracted, branch staff play a significant role in the selection of the consultants, development of the terms of reference and the monitoring and evaluation of the work.

Research activities included numerous responses to requests for information from business clients, two sizeable in-house studies and 24 studies which were contracted out to private consultants. These studies relate to a wide spectrum of industrial products. Examples are oil field tanks, Canada oil processing, metal drums, stainless steel pipe and tube, conveyor belting and metal studs.

In addition to the research services provided to the business community, the branch provides advisory assistance to the business community directly or through consultants in other branches of the department.

Regional Services Branch

The Regional Services Branch is responsible for delivering departmental programs and services to the business community throughout the province. Professional staff in the nine regional offices provide business information, business counselling and development services. The branch is responsible for delivering the department's programs to the business community as well as assisting business people to access the programs of other provincial and federal agencies.

At the beginning of the 1980/81 fiscal year the department was given increased reponsibilities with respect to native economic development. Because the regional office network lends itself to contact with people throughout the province, responsibility for delivery of native economic development programming was also assigned to this branch.

During 1980-81, regional representatives handled an increased number of requests for programs and other assistance:

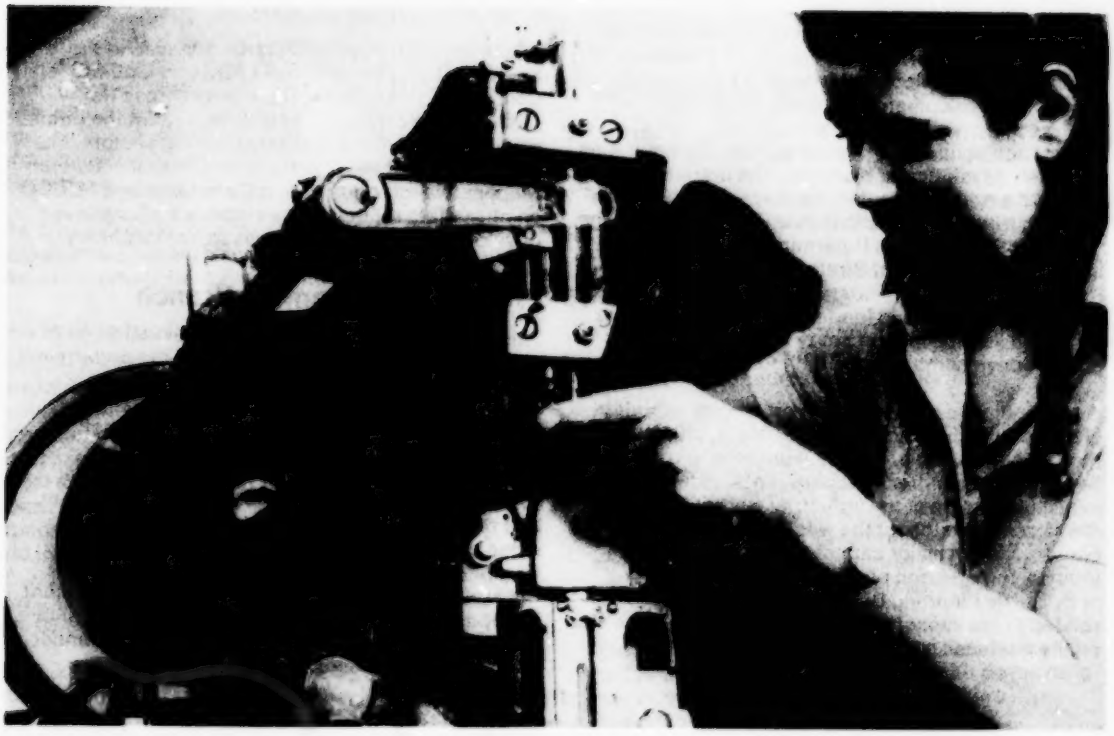
- 5,231 requests for business information and assistance were received;
- 708 of these requests required some form of counselling assistance including business evaluation and advice;
- 429 businesses were assisted in securing program assistance from either this department's programs or other government agency programs;
- 217 client files were classed as native economic development activity. These client cases would involve individuals and business projects securing assistance to provide native training and employment.

Community Support Services

The community support services section of the Regional Services Branch is responsible for the delivery of the Saskatchewan Main Street Development Program and management training and information activities. In addition, it provides advisory assistance to local development committees, coordinating the department's community related activities.

Management training and information activities assist owner/managers of smaller firms to upgrade management and business skills by making business-oriented training courses available in smaller centres throughout the province. Working through the provincial community college system, and in cooperation with local Chambers of Commerce and Boards of Trade, a wide range of training courses can be made available to virtually every community in Saskatchewan.

During the year a considerable amount of reorientation of the branch took place in order to develop and put into place the types of resources required to cope with the expanded role of the branch. Particular attention has been paid to providing for the needs of native groups and individuals in terms of assisting them to achieve greater economic independence. As experience is gained in this field, further adjustments will be required.



Custom Leather Manufacturing Inc. of North Battleford is a business that received special assistance programming from the department.

Support Services Division

In August of 1980 the Support Services Division was formed by bringing together the Planning and Administration Divisions and the Operation Recycle Branch. The new division is comprised of three branches: the Administrative Services Branch, the Planning Branch and the Program Management Branch.

Administrative Services Branch

The Administrative Services Branch is responsible for the co-ordination of departmental administrative processes and the provision of support services to other departmental branches and divisions in the areas of budgeting, accounting, property acquisition and control, space accommodation, personnel recruitment and training.

Planning Branch

The Planning Branch is responsible for long-range strategic planning, policy formulation, program development and evaluation, business sector analysis, intergovernmental affairs, and inputs into certain areas of business regulation.

As an ongoing function, the branch provided analysis and advice to departmental management on a wide range of policy matters which influence the business sectors of the province. Some of the specific areas examined involved federal responsibilities, including trade and export policies, foreign investment policy and industrial incentives. Other initiatives included such areas as governments' purchasing policies, research and development incentives, community economic development, and glass recycling.

The branch continued to assist specific comm . . .ities with their development planning. The branch provided extensive input into a study of the demand for industrial land and services in Regina through the "Steering Committee to Determine a Comprehensive Industrial Development Strategy for the City of Regina". The town of Tisdale was assisted with the terms of reference and funding of a comprehensive retail and service market study to help the Council plan for development.

On the initiative of the western provinces' ministers of industry and economic development, officials of the British Columbia, Alberta, Manitoba and Saskatchewan industry departments undertook a joint examination of the industrial markets developing throughout the west from the construction of major capital projects in mining, utilities, forestry and petroleum. In addition to this activity, the Planning Branch initiated other analysis related to the impact of major resource developments on the business sectors.

The department entered into an agreement with the federal Department of Industry, Trade and Commerce to manage the survey portion of the national Business Opportunities Sourcing System (B.O.S.S.). The primary purpose of the system is to enhance marketing opportunities by placing relevant information about Canadian manufacturers in the 89 Trade Commissioner posts throughout the world and in federal and provincial industry departments across Canada. Since the branch undertook the project, the number of Saskatchewan manufacturers in the B.O.S.S. has increased from just over 100 to more than 600. Through this joint initiative, the department was able to eliminate much of the paperwork required to produce the Saskatchewan Manufacturers' Guide.

The federal Foreign Investment Review Agency (FIRA) referred 27 applications to the department in 1980-81. The branch prepared an analysis of each of the cases for the Government of Saskatchewan, and its recommendations were transmitted to FIRA. The federal government makes the final decision on each case after receiving input from all concerned.

The branch represents the department on the Environmental Impact Assessment Review Panel. The panel assists the Environmental Assessment Secretariat by providing technical advice on impact assessments submitted by the proponents of industrial projects. The branch reviewed and provided inputs into 40 cases during 1979-80.

The branch provided secretariat services to the Small Business Development Advisory Council. Composed of businesspeople from across the province, the Council members represent the retail, wholesale, service and manufacturing sectors. The principal role of the Council is to advise the minister responsible for Industry and Commerce and SEDCO on all matters related to the viability and continued development of small business in Saskatchewan.

Program Management Branch

This branch is responsible for the co-ordination of most business incentive programs in the department. They include the Small Industry Development Program, the Product Development Program, the Management Development Program, the Small Business Interest Abatement Program, the Employment Opportunities Program, the Special ARDA Program, the Employment Support Program, and the Operation Recycle Program. Working in close contact with the Administrative Services Branch as well as the Business Services Division, the staff of this branch ensure that the management of departmental programs for which it is responsible is carried out in an efficient and consistent manner.

Trade and Industry Promotion Division

Midway through the year the former Trade and International Projects Division became the Trade and Industry Promotion Division. This new division is comprised of the Trade Branch and the Industry Promotion Branch.

The division has the following primary functions:

1. to increase the sale of Saskatchewan-produced goods and services;
2. to encourage increased Saskatchewan content in resource development and capital projects as well as in government procurement;
3. to encourage locally-based enterprises to grow, diversify and prosper; and
4. to increase local and international awareness of Saskatchewan's ability to supply quality goods and services, and as an attractive place to do business.

Trade Branch

Export activity generates significant multiplier effects which are felt throughout the provincial and national economies producing positive effects on economic growth in terms of employment, income, taxes and balance of payments.

Trade promotion, one of the most direct means of increasing economic development, enables firms to: diversify risk by operating in several markets; expand more rapidly than domestic commerce alone would warrant; keep labour and capital employed more fully and continuously; have outlets for excess production capacity; and realize reduced costs through increased production, thus becoming more competitive.

The Trade Branch promotes the sale of Saskatchewan-made products in both domestic and offshore markets in activities that include:

The Prairie Implement Buyer's Guide

In 1971, the first Prairie Implement Buyer's Guide was introduced with the words "All items in this catalogue are manufactured right here on the Canadian prairies". Thirty-three companies advertised in the 31-page booklet, and the main target area for distribution was Saskatchewan. Home-province farmers were informed that quality equipment was being designed and tested on soil and in conditions that only Saskatchewan could provide. A simple postage-paid card was included so that interested persons could obtain information on any particular company or product.

The booklet was received favourably and in 1974 151,600 copies were distributed. By 1978, the "Guide" had expanded to 68 pages with a distribution of 320,000 copies and Saskatchewan implements were becoming more and more popular outside the province. In 1980, 400,000 copies were distributed and 25,000 individual reply cards were returned. To give some measure of how the agricultural implement manufacturing industry has expanded, between 1970 and 1980 the value of agricultural implement shipments increased from $7.6 million to more than $135 million (an average annual change of 33%). Manufacturers claim that the guide is one of the best sales mediums for their products.

With 10 successful issues backing it up, the 1981 edition underwent some major changes. There were 500,000 copies printed, with approximately 200,000 going to farmers in Alberta, Saskatchewan, Manitoba and Ontario, and the remaining 300,000 going to North Dakota, South Dakota, Montana, Minnesota, Nebraska, Kansas, Wisconsin, Idaho, Washington and trade posts world-wide. The biggest change, however, was the implementation of computerized return cards which will provide excellent market intelligence to users.

Trade Fairs

The division buys space at selected industry trade fairs in Canada, the U.S.A., and offshore countries. Saskatchewan manufacturing firms are invited to participate free of charge under the provincial umbrella. Preshow and showguide advertising is also provided.

In 1980-81, the division staged Saskatchewan exhibits at the following shows:

1. Canada Farm Show, Toronto — 10 Saskatchewan manufacturers
2. Spokane Ag Expo '81 — 6 Saskatchewan firms
3. Canada Western Farm & Ranch Show, Edmonton — 21 Saskatchewan companies
4. IMEC '80 (International Mining Exhibition and Conference), Calgary — 10 Saskatchewan companies.

Seminars and Workshops

The Trade Branch participated in several jointly sponsored seminars and workshops for Saskatchewan suppliers and/or exporters:

1. CIDA Seminar — Business Opportunities in Canada's External Aid Program. A one-day seminar which examined business opportunities arising out of Canada's $1.5 billion external aid programs and the procurement of goods and services for CIDA's diverse projects. In addition, speakers discussed multilateral programs of industrial co-operation, investments and bilateral programs and procedures.

   It is the department's belief that Saskatchewan has valuable applicable technology for developing countries, and that CIDA should use more Saskatchewan content.

2. Export Financing Seminar — This one-day seminar discussed foreign exchange,

documentary credits, documentary collections, financing foreign sales and federal and Saskatchewan government financial programs to assist exporters.

3. Licensing and Patents Seminar — a one-day seminar on licences, trademarks, patents, and related government programs such as the licensing opportunities section of federal Department of Industry, Trade and Commerce and technical information services of the National Research Council.

4. Alaska Highway Gas Pipeline Project Briefing — a business briefing session in conjunction with Foothills Pipeline Yukon with approximately 250 business representatives participating.

Industry Promotion Branch

Saskatchewan has all the main ingredients for industrial growth: energy, natural resources, capital, skilled labour, industrial sites, transportation and proximity to western markets.

The business community operating in the province has experienced unprecedented prosperity in the '70s. The forecast for the '80s looks more promising at a time when many other areas of the country have been experiencing difficulties.

The rate of growth of the gross domestic product has increased dramatically over the past five years. In 1975 the gross domestic product was $7.1 billion. In 1980, five years later, it was $12.8 billion.

The mainstay to Saskatchewan's economy is still agriculture which accounts for approximately 20% of the gross domestic product. However, the mineral sector is experiencing strong growth.

The department has embarked on a promotional program to stimulate Saskatchewan entrepreneurs to more actively participate in the opportunities arising out of the province's rapid development and encourage non-Saskatchewan manufacturers and processors to locate within Saskatchewan.

The branch has established, on an informal basis, the Industrial Developers' Association of Saskatchewan. Made up of representatives from the 12 Saskatchewan cities, the purpose of this association is to develop a co-operative approach to establishing new business in the province and particularly to encourage local entrepreneurs to participate in new business opportunities.

Industrial Benefits from Resource Development

During the fiscal year 1980-81, the development responsibility for this activity was transferred to the Development Services Branch while promotion of the activity is maintained by the Industry Promotion Branch.

The activity attempts to ensure that the highest possible level of Saskatchewan content is obtained in all phases of resource development within the province which includes uranium, potash, heavy oil, coal and major energy-related projects.

Detailed lists were compiled for the capital and operating component requirements of each resource sector. The fourth issue of the "Industrial Benefits from Resource Development" bulletin was mailed out to applicable Saskatchewan businesses containing purchasing data, company contacts and supply procedures. Chambers of Commerce, industry associations and community groups met with department officials to ensure that Saskatchewan suppliers of goods and services were aware of all opportunities resulting from resource development in the province.

The activity began in September 1978 and, to date, presentations have been made to approximately 5,000 people at 35 meetings.

Staff members met with the federal Department of Industry, Trade and Commerce Committee on Industrial Benefits from Resource Development and also the IT&C-sponsored Major Project Task Force which is identifying major projects in Saskatchewan and the supply-demand data for a number of key elements such as manpower, equipment, engineering and capital requirements.

The branch organized and carried out a Ministerial Mission to Italy, Germany, Holland and England during October-November 1980. This 17-day mission identified a wide range of businesses interested in investing in Saskatchewan. Follow-up efforts have been under way since that time.

Other Promotional Activities

The third annual **Western Canada Farm Progress Show** was held in Regina in June. Industry and Commerce staff participated on the show committee, sponsored the international lounge and hosted a reception for incoming buyers, as well as worked in close co-operation with the federal Department of Industry, Trade and Commerce to attract and assist international buyers.

Assistance was provided to encourage Saskatchewan manufacturers to exhibit at the **1980 Australia AGQUIP trade fair.** In recent years, Australia has become an important export market for Saskatchewan firms, particularly those companies with specialized agricultural equipment.

The Canadian Consulate in San Francisco booked space at the **Colorado Mining Show and Conference** in Denver to promote companies by distributing brochures on goods and services available from

Canadian companies. Division staff attended the show and represented Saskatchewan firms.

The division staged a Saskatchewan farm equipment exhibit at the **Ohio Association of Farm and Power Equipment Dealers and Distributors Convention.** The purpose was to increase exposure of Saskatchewan manufacturers in this area of the U.S.A., and a number of Saskatchewan products have since been added to distribution lines of firms in this locale this year.

The department has expanded its promotional efforts to include the **export of Saskatchewan products and technology to Mexico.** Mexico offers excellent short-term export potential and longer-term export and licence or joint venture opportunities for Saskatchewan companies.

The division supported the seventh annual **Saskatchewan Handcraft Festival** by a $25,000 contractual agreement with the Saskatchewan Craft Council and $2,000 in prize money. The festival took place in Battleford July 18-20, 1980. Sales and orders reported by exhibitors totalled $81,600. Canadian and foreign visitors attending the show totalled 21,000.

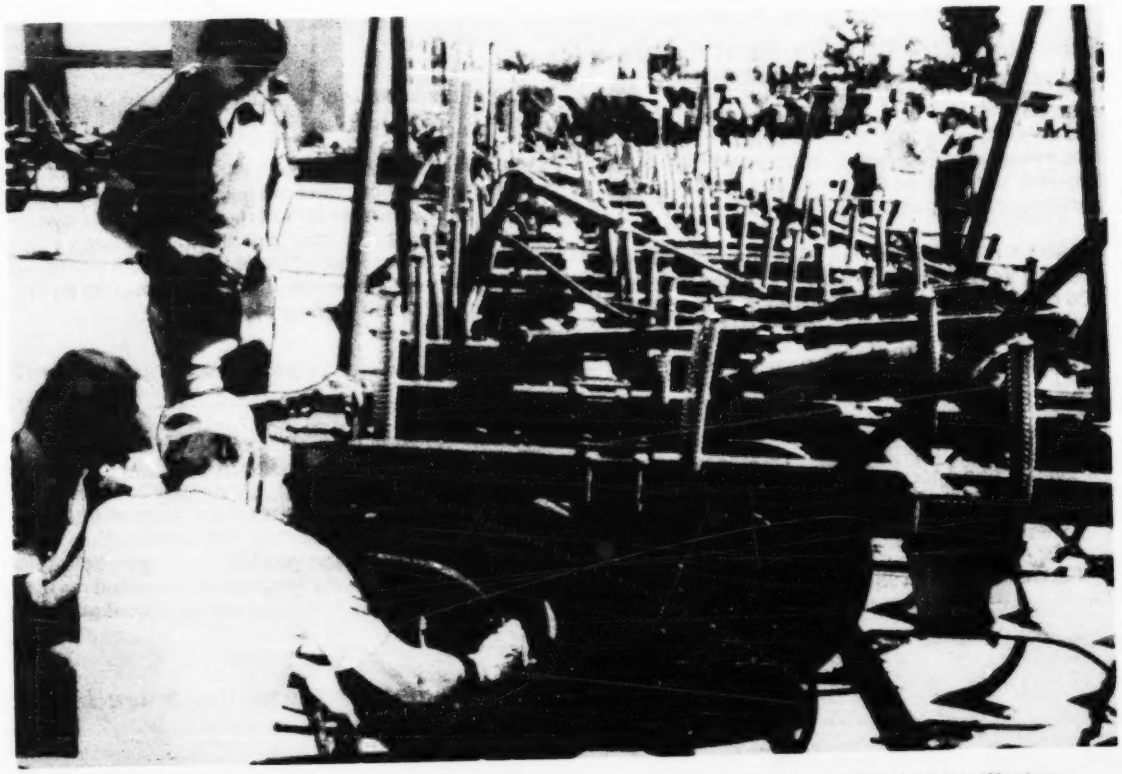
The division assisted the Crown Investments Corporation of Saskatchewan in several **forest products industry projects.**

Staff maintained liaison with wood-based industries in Saskatchewan as well as major forest products companies outside the province in efforts to increase the utilization of Saskatchewan aspen resources.

Staff also represented Saskatchewan Industry and Commerce on:

- Federal Provincial Forest Industry Development Committee;
- Canada/European Community Forest Products Working Group for Industrial Co-operation;
- Industry/Government sector Task Force on the Canadian Forest Products Industry;
- Opportunity Identification and Assessment Subcommittee which was established under the Subsidiary Agreement for Forestry Development (Saskatchewan/DREE* Forestry Subsidiary Agreement).

*Department of Regional Economic Expansion.



In June, people come to Regina from near and far to see Saskatchewan-made implements or the Western Canada Farm Progress Show.

Programs and Projects Summaries

Saskatchewan Main Street Program

The objective of the Main Street Program is to assist local business communities and municipal authorities to initiate and carry out an ongoing program of revitalization of business districts by providing incentives to physically upgrade business premises in Saskatchewan's smaller centres. Saskatchewan Urban Affairs also participates in the program through the upgrading of public areas.

During the year, more than 50 informational and instructional meetings were held in various communities throughout the province. Seventy-one new applications were approved and processed for incentives, bringing the total number of communities approved under the program since inception in 1978 to 161. Under the program, the department will provide grants to merchants of 50% of the costs of storefront renovations to established maximums. This year grants totalling $1.06 million were authorized towards improvements costing approximately $3.2 million. Since program inception, participating store owners have agreed to make improvements valued at more than $8.7 million, towards which Industry and Commerce has committed $2.7 million.

Saskatchewan Main Street Program Summary

	1980-81	1979-80	1978-79
Number of Communities Participating	71	76	14
Total Grant Commitment by I&C	$1,060,569	$1,400,000	$252,000
Total Value of Improvements	3,221,550	4,820,000	641,000

Small Industry Development Program

This program offers an incentive toward the establishment or expansion of small manufacturing and processing industries. The department provides interest-free loans which are forgiven over a two-year period provided terms and conditions of an agreement with the applicant are met.

In 1980-81, 79 applications were approved for loans totalling $442,492 which were estimated to create 136 new jobs. The program provided an incentive to the manufacturing sector to increase their capital costs by $2,911,796.

Analysis of these loans have shown that in 50% of the cases, the project would not have proceeded if not for the loan. A further 30% of the cases would have had to modify their projects or would have been delayed. The remaining 20% of the projects would have proceeded; however, the loans proved to be of significant benefit to the project.

Small Industry Development Program — Summary

	1980-81	1979-80	1978-79
Applications Approved	79	91	65
Total Loans Approved (I&C Contribution)	442,492	674,601	517,944
Total Expenditure by Applicants	$2,911,796	$3,402,396	$2,777,607
Estimated Jobs Created	136	204	176

Product Development Program

Industry and Commerce provides financial assistance to Saskatchewan-based manufacturers and processors for the development of new products, to make changes or modifications to existing products, to develop new processes and for mandatory testing required by regulatory agencies. In 1980-81, 36 applications were approved for grants totalling $248,047. The total cost of new product development in which the department participated was $611,273. Innovations and modifications assisted under this program included farm implements, truck hoists, electronic equipment, trailers and new food products.

Product Development Program — Summary

	1980-81	1979-80	1978-79
Applications Approved	36	29	36
Total Grants Approved (I&C Contribution)	248,047	202,219	200,837
Total Expenditure by Applicants	$611,273	$521,606	$526,236

Management Development Program

The department encourages Saskatchewan manufacturers to improve required management skills by providing financial assistance under this program. Assistance may be provided to present courses on management-related subjects, or Saskatchewan manufacturers may send management personnel on seminars and courses which contribute to the improvement of required skills and knowledge where a manufacturer is experiencing difficulties. Also, the department can share the cost of engaging the services of a management consultant to study and make recommendations to resolve the problem.

Management Development Program — Summary

	1980-81	1979-80	1978-79
Applications Approved	36	40	21
Disbursements	$25,266	$21,950	$13,049

Small Business Interest Abatement Program

The purpose of this program is to stimulate small business investment in Saskatchewan by reducing the interest burden encountered by new or existing businesses which are expanding or improving facilities. Businesses in Saskatchewan with annual sales less than $500,000 may apply for an abatement grant on business loans taken after April 1978, providing they meet the eligibility criteria of the program.

For businesses in communities of less than 6,000 people, the grant (a maximum of $500 per year) reduces the effective interest rate on loans by 4%. In communities with more than 6,000 people, businesses can benefit to a maximum of $250 per year.

Small Business Interest Abatement Program — Summary

	1980-81	1979-80	1978-79
Applications	439	490	590
Abatement Grants Approved	$157,160	$240,660	$228,530

Employment Opportunities Program

The objective of the Employment Opportunities Program is to provide financial assistance to create and preserve employment for persons who are defined as eligible employees because they lack marketable life skills, have social, racial, cultural or locational barriers, or mental, physical or other handicaps. An increased emphasis has been placed upon using the program to create jobs for Indian and native people in urban areas. There has been a 100% increase in approved applications from the previous fiscal year with native-related projects accounting for 88% of the overall approved grants.

Employment Opportunities Program — Summary

	1980-81	1979-80	1978-79	1977-78	1976-77
Applications Approved	54	28	43	20	9
Approved Grants by I&C	$1,662,435	$427,980	$1,006,167	$644,370	$370,210
Total Expenditure by Applicants	2,144,440	600,949	2,040,383	631,500	586,230
Estimated Jobs Created	98	58	142	95	160

Employment Support Program

This year Industry and Commerce assumed responsibility for a portion of the Employment Support Program. The program supplements the Employment Opportunities Program by way of providing financial assistance to businesses which intend to employ and train disadvantaged persons and the disabled. The program offers the added dimension of providing an incentive to employ and train disadvantaged individuals.

In 1980-81, 22 applications were approved providing $267,424 in approved grants, subsidizing projects costing in total $406,146. The program has been utilized primarily to create employment and provide training for Indian and native people in Saskatchewan.

Employment Support Program — Summary

	1980-81
Applications Approved	22
Total Approved Grants by I&C	$267,424
Total Expenditure by Applicants	406,146

Special ARDA Program

Special ARDA is a joint federal-provincial program designed to provide financial assistance, management advice, training, counselling and other services for projects which will provide jobs, increase income, and improve living conditions for Indian and Metis people in rural areas of Saskatchewan. Special ARDA activity continues to grow steadily and an increasing number of native businesspeople are being assisted to establish and expand their enterprises.

In 1980-81, 36 applications were approved for grants totalling $1,563,499 which is a 193% increase over the previous fiscal year. The department share was $507,149 representing a tenfold increase over the previous year. This increase is due primarily to Industry and Commerce assuming greater provincial responsibility for native economic programs.

Special ARDA Program — Summary

	1980-81	1979-80	1978-79	1977-78	1976-77
Applications Approved	36	17	13	10	10
Approved grants by I&C and DREE	$1,563,499	$ 533,019	$276,078	$292,620	$1,108,911
Total Expenditure by Applicants	1,870,324	1,117,848	554,325	886,181	1,415,565
Estimated Jobs Created	54	40	44	45	69

Operation Recycle Program

Operation Recycle is a recovery program which locates, cclIects, stores and transports discarded scrap vehicles to a steel-processing and recycling facility in Regina. Since inception of the program in November 1972, approximately 140,000 tons of scrap metal have been delivered for processing and reuse by the steel-making industry.

During the first four and a half years of operation, one contractor completed a systematic sweep of the province gathering and delivering discarded vehicles to Regina from the surveyed area of the province. This phase of the program provided for the removal of more than 80,000 scrap vehicles from agricultural land which had accumulated since the advent of the motor car in Saskatchewan. A second phase involving ongoing maintenance followed. Thirty-five contractors provide a pick-up service and deposit of the units in designated retention sites. A provincial contractor flattens and transports the vehicles to IPSCO in Regina.

The province is divided into 63 contract areas, four of which are located above the tree line in the north. Retention sites are located within contract areas for the convenience of contractors. All sites are located on municipal property and are provided without cost to the program.

During the year under review, 172 retention sites were inspected; missing signs were noted and inventory recorded. At year-end, $14,724.84 was outstanding in advance payments to contractors for 904 vehicles located in 36 retention sites The volume of scrap delivered to IPSCO from sites during the year was 13,141 tons and revenue from its sale was $735,947.22.

Staff also worked with personnel from the City of Regina, Saskatchewan Environment, Interprovincial Pipe and Steel Corporation and Environment Canada on a pilot project to determine the feasibility of recovering major household appliances from solid waste delivered to the Regina Municipal Landfill. Results indicate that appliance recovery is only feasible in large municipalities close to markets owing to high transportation costs.

Operation Recycle staff co-ordinated an unbaled household appliance recovery project from the Fort Qu'Appelle municipal landfill. It was determined that a recovery operation could be done profitably provided municipal equipment located on the site was utilized and provided the urban centre was within a 50-mile radius of the market.

Aid to Trade Program

The Aid to Trade Program assists individual Saskatchewan manufacturing and processing firms to overcome the constraints associated with a limited provincial market, and to bridge deficiencies in existing federal trade assistance.

The program was designed to assist manufacturers or firms with technological expertise to either introduce new products or technology to the national and international marketplace or to cultivate new markets for existing products and services. Aid to Trade assistance is limited to those promotional projects which represent an extension of a normal activity, and avoids using government funds to subsidize normal marketing efforts.

Under the program the department contributes up to 50% of the project cost, payable after completion and upon submission of pertinent vouchers and a written report outlining the results.

Proposed projects must fall into one of the seven distinct functional areas of the program which are deemed to be the fundamental mechanics (and often most expensive) associated with a given marketing effort: trade fairs, trade missions, incoming buyers, product promotion, market research and sample shipments.

Aid to Trade Program — Summary

	1980-81	1979-80	1978-79
Completions	229	113	112
I&C Cost	$ 156,522	$ 69,565	$ 94,000*
Estimated Sales	$6,854,192+	$6,244,837	$9,000,000*
Estimated Jobs Created	88	80	110*

* Major Australian export thrust increased costs and results.
+ Based on minimum reported sales. Estimated actual is $10-12 million.

Other

Industry and Commerce, for the second consecutive year, has subsidized a student counselling project increasing its share to $35,000 from $30,000. Under the direction of faculty members of the College of Commerce at the University of Saskatchewan, the students provided a variety of consulting services to small businesses, companies and organizations. Results of this project were sufficiently encouraging to extend financial support for a third season. In addition to providing a valuable service to the business community, this activity provides practical experience to undergraduate students.

The department supports the Administration Co-operative Students Program by hiring University of Regina students throughout the year. The department also supports the efforts of AIESEC (International Association for Students of Economics and Commerce) by providing financial assistance and hiring exchange students. AIESEC operates a student exchange program on a reciprocal basis; for every job raised locally, the local AIESEC committee may send one of its members away to participating countries.

Industry and Commerce provided SED Systems Inc. of Saskatoon with a Research and Development grant in the amount of $228,000. The assistance was to enable the company to develop a low-cost telephony terminal which would provide a two-way telecommunications service via satellite to remote, isolated and mountainous regions.

Saskatchewan
Industry and
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